

**MINUTES OF SPECIAL MEETING
ILLINOIS GAMING BOARD
October 18 and 19, 2005
CHICAGO, ILLINOIS**

NOTE: ITEMS IN **BOLDFACE PRINT** REFLECT OFFICIAL BOARD ACTIONS

The Tuesday, October 18, 2005 Special Meeting of the Illinois Gaming Board (“Board”) was held in the conference room at the City Hall Building located at 1528 3rd Avenue in Rock Island, Illinois for closed session.

The following Board Members were present: Chairman Aaron Jaffe, Members Charles Gardner, Joseph Moore, Eugene Winkler, and James Sullivan.

The meeting convened at 11:15 A.M.

The Board convened its Open session at 3:30 P.M.

Chairman’s Report

Chairman Jaffe thanked the City of Rock Island for providing the Board with a place to conduct its meeting, the tour of Rock Island, and all of the hospitality that the City has provided. Chairman Jaffe stated that the Board realizes that Casino Rock Island’s project is very important to the City of Rock Island and the State of Illinois. Chairman Jaffe stated that the Board is continuing to work with Casino Rock Island in an effort to grant the casino approval of its request.

Chairman Jaffe stated that the Board is present today to hear testimony from the people in the community of Rock Island.

Chairman Jaffe thanked Senator Mike Jacobs and Representative Verschoore for attending the meeting.

Public Commentary

Mayor Mark W. Schwiebert welcomed the Board to the City of Rock Island. Mayor Schwiebert expressed his support for Casino Rock Island’s request to relocate off of the Mississippi River and the impact that the Casino has had on the community. Mayor Schwiebert discussed the benefits of Casino Rock Island’s request to relocate off of the Mississippi River.

Senator Mike Jacobs was present to express his support for Casino Rock Island’s request to relocate off of the Mississippi River. Senator Jacobs stated that the City of Rock Island is in desperate shape for economic opportunities. Senator Jacobs stated that Casino Rock Island’s project would provide a lot of construction jobs. Senator Jacobs stated that he believes that

the new property would allow Casino Rock Island to set up a resort destination that would attract people from outside of the region.

Representative Verschoore was present to express his support for Casino Rock Island's request to relocate off of the Mississippi River. Mr. Verschoore urged the Board to act on Casino Rock Island's request in a favorably manor. Mr. Verschoore stated that the City of Rock Island desperately needs the revenue that would be generated from the project.

Dan Carmody, President of Renaissance Rock Island, was present to express his support for Casino Rock Island's request to relocate off of the Mississippi River. Mr. Carmody stated that Renaissance Rock Island is the business community in Rock Island who partners with the City and the school district to try to revive the economy. Mr. Carmody stated that the business community is excited about the opportunity to take back the riverfront and doing some different things there. Mr. Carmody urged the Board to act quickly on Casino Rock Island's request.

Shea Doyle, Representative of the Downtown Rock Island Arts and Entertainment District was present to express his support for Casino Rock Island's request to relocate off of the Mississippi River. Mr. Doyle stated that since the 1980's the transformation of downtown has been nothing short of extraordinary, and Casino Rock Island has been really instrumental in that transformation. Mr. Doyle stated that the business community believes that the downtown area would still benefit from the casino by having their customers visit the downtown area and the casino's continued support in the City's arts and entertainment festivals.

Mike Thoms, Representative of the Development Association of Rock Island was present to express his support for Casino Rock Island's request to relocate off of the Mississippi River. Mr. Thoms stated that the project would not only create more construction jobs, but full-time jobs at the casino, as well as jobs that are created in businesses that service Casino Rock Island such as hotels, restaurants. Mr. Thoms stated that the new location would be a prime spot to attract tourists driving through the State.

Phil Scott, Representative of the Development Association of Rock Island was present to express his support for Casino Rock Island's request to relocate off of the Mississippi River. Mr. Scott stated that the reason for riverboat gambling was job creation. Mr. Scott stated that for the past two years the population in Rock Island has declined due to the lack of job opportunities. Mr. Scott stated that Casino Rock Island's request would create more jobs.

Rory Washburn, Representative of the Tri-City Building Trades Council was present to express his support for Casino Rock Island's request to relocate off of the Mississippi River. Mr. Washburn stated that he represents 9,000 men and women working in the construction industry in the Quad Cities. Mr. Washburn stated that together these men and women have worked with Casino Rock Island, who has been a great community partner and a good neighbor with the downtown Rock Island business. Mr. Wasburn stated that Casino Rock Island's project would be vital to the economic future to the City of Rock Island. Mr.

Washburn urged the Board to take positive action on Casino Rock Island's request as soon as possible.

John Churuvia, Representative of Sheet Metal Workers of Local 91 was present to express his support for Casino Rock Island's request to relocate off of the Mississippi River. Mr. Churuvia stated that in the 60 years that he has been around, it seemed like whenever new development was the topic of discussion it was never carried out. Mr. Churuvia stated that the City of Rock Island cannot afford to let this project fall through. Mr. Churuvia stated that the City of Rock Island desperately needs the project, which would bring work to the community.

Jim DeDecker, Representative of Laborers Local 309 was present to express his support for Casino Rock Island's request to relocate off of the Mississippi River. Mr. DeDecker stated that Casino Rock Island's project would be beneficial to the City of Rock Island, the County, and the State of Illinois. Mr. DeDecker stated that this would be a "win-win" situation for everyone concerned. Mr. DeDecker stated that the economic impact of the project would be considerably helpful. Mr. DeDecker stated that it's not just a casino that we are looking at; it's a hotel and a convention center, which means more tourism for the City of Rock Island.

Mike Wilcher, Representative of Ironworkers Local 111 was present to express his support for Casino Rock Island's request to relocate off of the Mississippi River. Mr. Wilcher stated that the City of Rock Island and the representatives of the building trades need this project and the jobs that would be developed from the project.

ChrisTina S. Kost, Liaison Officer, Big Island River Conservancy District was present to discuss Casino Rock Island's project development. Ms. Kost stated that she has met with Casino Rock Island's President and Engineer, and has developed a working relationship with them. Ms. Kost stated that the Big Island River Conservancy District must have the ability to do its job, which is to protect the Milan Big Island Local Flood Protection Project, and the district's water resources. Ms. Kost stated that she is not present before the Board to stop or to hinder Casino Rock Island's project from going forward. Ms. Kost stated that she is present to receive the full cooperation and commitment from Casino Rock Island and its representatives to provide her with sufficient information and access to its development site to ensure that the development would not have a negative impact to Big Island River Conservancy District's flood control or to the district's water resources.

Ms. Kost introduced Dr. Schwartz, who briefly shared with the Board his opinion on the proposed pipeline that River Stone is proposing to develop that would cross the casino property and the Milan Big Island Local Flood Protection Plan. Dr. Schwartz stated that he believes that the Gaming Board should be concerned about public safety. Dr. Schwartz stated that the proposed pipeline could cause a disruption in public safety.

Chairman Jaffe asked what Big Island River Conservancy District expects from the Board. Ms. Kost stated that the reason why she is has come before the Board is because the Big

Island River Conservancy District has to have information and site access to the casino's property.

Member Winkler inquired if the proposed pipeline that River Stone is proposing to be developed has been approved. Ms. Kost stated that it has not. Ms. Kost stated that all of the permits are not in. Ms. Kost stated that the pipeline easement does rest on private property, which is the Casino Rock Island. Ms. Kost stated that she is requesting from Casino Rock Island right of entry to ensure that activities that haven't been permitted haven't begin.

Member Winkler inquired in what way would the casino be impacted by the River Stone project. Ms. Kost stated that without complete plans, she would be speaking out of turn at this time.

Ms. Kost stated that there are two main focuses that the District has: (1) to protect the Milan Big Island Local Flood Protection Project, (2) to ensure that the district's water resources are not negatively impacted.

Member Gardner inquired about the letter that Ms. Kost received from Casino Rock Island. Member Gardner asked if Casino Rock Island is agreeing to help as she asked.

Ms. Kost stated that she just received the letter today and the District's attorney has not had a chance to review it. Ms. Kost stated that by meeting with the Vice President and the Engineer of Casino Rock Island and by receiving the letter from Casino Rock Island today, it is a great step towards a good working relationship.

Member Gardner stated that the Board cannot guarantee that Casino Rock Island would honor their commitment that they stated in their letter to the Big Island River Conservancy District, however, with the letter in hand, Casino Rock Island has shown their strong commitment to help.

Member Gardner stated that the Board would take into consideration the best interest of the people of the State of Illinois when making decisions with regards to all of its licensees.

Jerry Neff, Sierra Club, was present to express his concerns regarding the environmental issues that surround Casino Rock Island's request to relocate off of the Mississippi River. Mr. Neff stated that the casino would not exactly be in the wetland but would be very close to the boundaries. Mr. Neff expressed his concerns regarding pollution from the parking lots that could affect the water quality; casino lights that could affect wild life; outdoor activities that could affect wild life; and the 14-story hotel that could affect the birds.

Member Winkler inquired if Mr. Neff is suggesting that the Army Core of Engineers and others have evaluated the impact on the site that the Casino Rock Island is proposing to relocate to, but have not evaluated the environmental impact on the wetlands that surround that site and on the adjacent land where the Bald Eagle and the Illinois River Otter would be an inhabitant. Mr. Neff stated that that is the way the he understands it.

Rev. William G. Owen was present to discuss the affects of gambling on the communities that would be involved in the Casino Rock Island project. Rev. Owen stated that the project would benefit the communities economically, however, the reality is somewhat grimmer. Rev. Owen stated that the presence of gambling within a 50-mile radius of a community doubles the incidents of pathological gamblers within that community. Rev. Owen provided the Board with statistics relating to the negative affects that gambling has on a community. Rev. Owen urged the Board not to allow Casino Rock Island to relocate.

Owner Licensee Items

Casino Rock Island – Request to Relocate off of Mississippi River- Ron Wicks, President, was present on behalf of Casino Rock Island to request final approval to relocate off of the Mississippi River. Mr. Wicks thanked the Board for coming out to Rock Island. Mr. Wicks stated that he hopes that the Board has seen the positive effects that a private-public partnership would have in the City of Rock Island. Mr. Wicks stated that Casino Rock Island tries as an organization to be a good cooperate citizen. Mr. Wicks stated that Casino Rock Island wants to grow its business and ensure that it is sound and can compete in the marketplace.

Member Gardner inquired what Casino Rock Island thinks it would be getting if the Board approves its request to relocate to the new site. Mr. Wicks stated that the way he understands it, the Board is just giving Casino Rock Island the authority to move its operation off of the Mississippi River to the new location. Mr. Wicks stated that there are still other issues such as architectural designs, a financial package, and a business structure. Mr. Wick stated that Casino Rock Island would like to present those issues before the Board soon.

Based on the staff's investigation and recommendation and the presentation by Mr. Wicks and the members of the Rock Island community, Member Gardner moved that **the Board give a very limited approval to Casino Rock Island to continue their work in moving off the Mississippi River to the site at intersection I-280 and 92.** Member Sullivan seconded the motion. The Board approved the motion unanimously by voice vote.

At approximately 5:30 P.M., Member Winkler moved that the Board reconvene into Closed session. Member Gardner seconded the motion. The Board approved the motion unanimously by voice vote.

At approximately 5:56 P.M. the Board recessed until October 19, 2005.

On October 19, 2005, at approximately 11:30 A.M., the Board engaged in a tour of Par-A-Dice Casino. The tour lasted until approximately 2:00 P.M. and the Board adjourned.

Respectfully submitted,
Monica Thomas

Secretary to the Board